

New York State Department of Environmental Conservation
Facility DEC ID: 4192400093



PERMIT
Under the Environmental Conservation Law (ECL)

IDENTIFICATION INFORMATION

PAir State Facility

Permit ID: 4-1924-00093/02001
Effective Date: 09/19/2003 Expiration Date: No expiration date

Permit Issued To: CENTRAL HUDSON GAS & ELECTRIC CORP
284 SOUTH AVE
POUGHKEEPSIE, NY 12601-4838

Contact: WAYNE J MANCRONI
CENTRAL HUDSON GAS & ELECTRIC
284 SOUTH AVE
POUGHKEEPSIE, NY 12601-4879
(845) 486-5734

Facility: SO CAIRO COMBUSTION TURBINE
ST RT 32 JUST SOUTH OF CO RT 23B
CAIRO, NY 12413

Description:

By acceptance of this permit, the permittee agrees that the permit is contingent upon strict compliance with the ECL, all applicable regulations, the General Conditions specified and any Special Conditions included as part of this permit.

Permit Administrator: NANCY M ADAMS
1150 NORTH WESTCOTT RD
SCHENECTADY, NY 12306-2014

Authorized Signature: _____ Date: ____ / ____ / ____



Notification of Other State Permittee Obligations

Item A: Permittee Accepts Legal Responsibility and Agrees to Indemnification

The permittee expressly agrees to indemnify and hold harmless the Department of Environmental Conservation of the State of New York, its representatives, employees, and agents ("DEC") for all claims, suits, actions, and damages, to the extent attributable to the permittee's acts or omissions in connection with the permittee's undertaking of activities in connection with, or operation and maintenance of, the facility or facilities authorized by the permit whether in compliance or not in compliance with the terms and conditions of the permit. This indemnification does not extend to any claims, suits, actions, or damages to the extent attributable to DEC's own negligent or intentional acts or omissions, or to any claims, suits, or actions naming the DEC and arising under article 78 of the New York Civil Practice Laws and Rules or any citizen suit or civil rights provision under federal or state laws.

Item B: Permittee's Contractors to Comply with Permit

The permittee is responsible for informing its independent contractors, employees, agents and assigns of their responsibility to comply with this permit, including all special conditions while acting as the permittee's agent with respect to the permitted activities, and such persons shall be subject to the same sanctions for violations of the Environmental Conservation Law as those prescribed for the permittee.

Item C: Permittee Responsible for Obtaining Other Required Permits

The permittee is responsible for obtaining any other permits, approvals, lands, easements and rights-of-way that may be required to carry out the activities that are authorized by this permit.

Item D: No Right to Trespass or Interfere with Riparian Rights

This permit does not convey to the permittee any right to trespass upon the lands or interfere with the riparian rights of others in order to perform the permitted work nor does it authorize the impairment of any rights, title, or interest in real or personal property held or vested in a person not a party to the permit.



LIST OF CONDITIONS

DEC GENERAL CONDITIONS

General Provisions

Facility Inspection by the Department

Relationship of this Permit to Other Department Orders and Determinations

Applications for Permit Renewals and Modifications

Permit Modifications, Suspensions and Revocations by the Department

Facility Level

Submission of Applications for Permit Modification or Renewal -REGION 4
HEADQUARTERS



DEC GENERAL CONDITIONS
****** General Provisions ******
GENERAL CONDITIONS - Apply to ALL Authorized Permits.

Condition 1: Facility Inspection by the Department
Applicable State Requirement: ECL 19-0305

Item 1.1:

The permitted site or facility, including relevant records, is subject to inspection at reasonable hours and intervals by an authorized representative of the Department of Environmental Conservation (the Department) to determine whether the permittee is complying with this permit and the ECL. Such representative may order the work suspended pursuant to ECL 71-0301 and SAPA 401(3).

Item 1.2:

The permittee shall provide a person to accompany the Department's representative during an inspection to the permit area when requested by the Department.

Item 1.3:

A copy of this permit, including all referenced maps, drawings and special conditions, must be available for inspection by the Department at all times at the project site or facility. Failure to produce a copy of the permit upon request by a Department representative is a violation of this permit.

Condition 2: Relationship of this Permit to Other Department Orders and Determinations
Applicable State Requirement: ECL 3-0301.2(m)

Item 2.1:

Unless expressly provided for by the Department, issuance of this permit does not modify, supersede or rescind any order or determination previously issued by the Department or any of the terms, conditions or requirements contained in such order or determination.

Condition 3: Applications for Permit Renewals and Modifications
Applicable State Requirement: 6NYCRR 621.13

Item 3.1:

The permittee must submit a separate written application to the Department for renewal, modification or transfer of this permit. Such application must include any forms or supplemental information the Department requires. Any renewal, modification or transfer granted by the Department must be in writing.

Item 3.2:

The permittee must submit a renewal application at least 180 days before expiration of permits for Title V Facility Permits, or at least 30 days before expiration of permits for State Facility Permits.

Item 3.3:

Permits are transferrable with the approval of the department unless specifically prohibited by the statute, regulation or another permit condition. Applications for permit transfer should be submitted prior to actual



New York State Department of Environmental Conservation
Facility DEC ID: 4192400093

transfer of ownership.

Condition 4: Permit Modifications, Suspensions and Revocations by the Department
Applicable State Requirement: 6NYCRR 621.14

Item 4.1:

The Department reserves the right to modify, suspend, or revoke this permit in accordance with 6NYCRR Part 621. The grounds for modification, suspension or revocation include:

- a) materially false or inaccurate statements in the permit application or supporting papers;
- b) failure by the permittee to comply with any terms or conditions of the permit;
- c) exceeding the scope of the project as described in the permit application;
- d) newly discovered material information or a material change in environmental conditions, relevant technology or applicable law or regulations since the issuance of the existing permit;
- e) noncompliance with previously issued permit conditions, orders of the commissioner, any provisions of the Environmental Conservation Law or regulations of the Department related to the permitted activity.

****** Facility Level ******

Condition 5: Submission of Applications for Permit Modification or Renewal -REGION 4 HEADQUARTERS
Applicable State Requirement: 6NYCRR 621.5(a)

Item 5.1:

Submission of applications for permit modification or renewal are to be submitted to:

NYSDEC Regional Permit Administrator
Region 4 Headquarters
Division of Environmental Permits
1150 North Westcott Rd.
Schenectady, NY 12306-2014
(518) 357-2069

New York State Department of Environmental Conservation

Permit ID: 4-1924-00093/02001

Facility DEC ID: 4192400093



Permit Under the Environmental Conservation Law (ECL)

ARTICLE 19: AIR POLLUTION CONTROL - AIR STATE FACILITY PERMIT

IDENTIFICATION INFORMATION

Permit Issued To: CENTRAL HUDSON GAS & ELECTRIC CORP
284 SOUTH AVE
POUGHKEEPSIE, NY 12601-4838

Facility: SO CAIRO COMBUSTION TURBINE
ST RT 32 JUST SOUTH OF CO RT 23B
CAIRO, NY 12413

Authorized Activity By Standard Industrial Classification Code:
1 - ELECTRIC SERVICES



LIST OF CONDITIONS

FEDERALLY ENFORCEABLE CONDITIONS

Facility Level

- 1 6NYCRR 201-6.1(c): Facility Permissible Emissions
- 2 6NYCRR 201-7.2: Synthetic minor facility capping provisions.
- 3 6NYCRR 225-1.2(a)(1): Compliance Demonstration
- 4 6NYCRR 225-1.4: Temporary variances.
- 5 6NYCRR 225-1.6(b): Compliance.
- 6 6NYCRR 225-1.7: Emission and fuel monitoring methods.
- 7 6NYCRR 225-1.8: Compliance Demonstration

Emission Unit Level

- 8 6NYCRR 201-6.1(c): Emission Unit Permissible Emissions
- 9 6NYCRR 201-6.1(c): Process Permissible Emissions
- 10 6NYCRR 204-1.4: Emission Unit Permissible Emissions
- 11 6NYCRR 204-1.4: Process Permissible Emissions

EU=1-00001

- *12 6NYCRR 204-1.4: Compliance Demonstration
- 13 6NYCRR 227-1.3(a): Compliance Demonstration

EU=1-00001,Proc=001,ES=00001

- 14 6NYCRR 227-1.2(a)(1): Compliance Demonstration

EU=1-00001,EP=00001,Proc=001

- *15 6NYCRR 201-6.1(c): Compliance Demonstration

STATE ONLY ENFORCEABLE CONDITIONS

Facility Level

- 16 ECL 19-0301: Contaminant List
- 17 6NYCRR 201-1.4: Unavoidable noncompliance and violations
- 18 6NYCRR 201-5: Emission Unit Definition
- 19 6NYCRR 211.2: Air pollution prohibited

Emission Unit Level

- 20 6NYCRR 201-5: Emission Point Definition By Emission Unit
- 21 6NYCRR 201-5: Process Definition By Emission Unit

NOTE: * preceding the condition number indicates capping.

Permit Effective Date: 09/19/2003

Permit Expiration Date: No expiration date.



FEDERALLY ENFORCEABLE CONDITIONS

**** Facility Level ****

NOTIFICATION OF GENERAL PERMITTEE OBLIGATIONS

This section contains terms and conditions which are federally enforceable. Permittees may also have other obligations under regulations of general applicability

Item A: Sealing - 6NYCRR Part 200.5

The Commissioner may seal an air contamination source to prevent its operation if compliance with 6 NYCRR Chapter III is not met within the time provided by an order of the Commissioner issued in the case of the violation.

Sealing means labeling or tagging a source to notify any person that operation of the source is prohibited, and also includes physical means of preventing the operation of an air contamination source without resulting in destruction of any equipment associated with such source, and includes, but is not limited to, bolting, chaining or wiring shut control panels, apertures or conduits associated with such source.

No person shall operate any air contamination source sealed by the Commissioner in accordance with this section unless a modification has been made which enables such source to comply with all requirements applicable to such modification.

Unless authorized by the Commissioner, no person shall remove or alter any seal affixed to any contamination source in accordance with this section.

Item B: Acceptable Ambient Air Quality - 6NYCRR Part 200.6

Notwithstanding the provisions of 6 NYCRR Chapter III, Subchapter A, no person shall allow or permit any air contamination source to emit air contaminants in quantities which alone or in combination with emissions from other air contamination sources would contravene any applicable ambient air quality standard and/or cause air pollution. In such cases where contravention occurs or may occur, the Commissioner shall specify the degree and/or method of emission control required.

Item C: Maintenance of Equipment - 6NYCRR Part 200.7

Any person who owns or operates an air contamination

New York State Department of Environmental Conservation

Permit ID: 4-1924-00093/02001

Facility DEC ID: 4192400093



source which is equipped with an emission control device shall operate such device and keep it in a satisfactory state of maintenance and repair in accordance with ordinary and necessary practices, standards and procedures, inclusive of manufacturer's specifications, required to operate such device effectively.

Item D: Unpermitted Emission Sources - 6NYCRR Part 201-1.2

If an existing emission source was subject to the permitting requirements of 6NYCRR Part 201 at the time of construction or modification, and the owner and/or operator failed to apply for a permit for such emission source then the following provisions apply:

(a) The owner and/or operator must apply for a permit for such emission source or register the facility in accordance with the provisions of Part 201.

(b) The emission source or facility is subject to all regulations that were applicable to it at the time of construction or modification and any subsequent requirements applicable to existing sources or facilities.

Item E: Emergency Defense - 6NYCRR Part 201-1.5

An emergency constitutes an affirmative defense to an action brought for noncompliance with emissions limitations or permit conditions for all facilities in New York State.

(a) The affirmative defense of emergency shall be demonstrated through properly signed, contemporaneous operating logs, or other relevant evidence that:

(1) An emergency occurred and that the facility owner and/or operator can identify the cause(s) of the emergency;

(2) The equipment at the permitted facility causing the emergency was at the time being properly operated;

(3) During the period of the emergency the facility owner and/or operator took all reasonable steps to minimize levels of emissions that exceeded the emission standards, or other requirements in the permit; and

(4) The facility owner and/or operator notified the Department within two working days after the event



New York State Department of Environmental Conservation

Permit ID: 4-1924-00093/02001

Facility DEC ID: 4192400093

occurred. This notice must contain a description of the emergency, any steps taken to mitigate emissions, and corrective actions taken.

(b) In any enforcement proceeding, the facility owner and/or operator seeking to establish the occurrence of an emergency has the burden of proof.

(c) This provision is in addition to any emergency or upset provision contained in any applicable requirement.

Item F: Recycling and Salvage - 6NYCRR Part 201-1.7

Where practical, any person who owns or operates an air contamination source shall recycle or salvage air contaminants collected in an air cleaning device according to the requirements of 6 NYCRR.

Item G: Prohibition of Reintroduction of Collected Contaminants to the Air - 6NYCRR Part 201-1.8

No person shall unnecessarily remove, handle, or cause to be handled, collected air contaminants from an air cleaning device for recycling, salvage or disposal in a manner that would reintroduce them to the outdoor atmosphere.

Item H: Proof of Eligibility for Sources Defined as Exempt Activities - 6 NYCRR Part 201-3.2(a)

The owner and/or operator of an emission source or unit that is eligible to be exempt, may be required to certify that it operates within the specific criteria described in 6 NYCRR Subpart 201-3. The owner or operator of any such emission source must maintain all required records on-site for a period of five years and make them available to representatives of the Department upon request. Department representatives must be granted access to any facility which contains emission sources or units subject to 6 NYCRR Subpart 201-3, during normal operating hours, for the purpose of determining compliance with this and any other state and federal air pollution control requirements, regulations, or law.

Item I: Proof of Eligibility for Sources Defined as Trivial Activities - 6 NYCRR Part 201-3.3(a)

The owner and/or operator of an emission source or unit that is listed as being trivial in 6 NYCRR Part 201 may be required to certify that it operates within the specific



New York State Department of Environmental Conservation

Permit ID: 4-1924-00093/02001

Facility DEC ID: 4192400093

criteria described in 6 NYCRR Subpart 201-3. The owner or operator of any such emission source must maintain all required records on-site for a period of five years and make them available to representatives of the Department upon request. Department representatives must be granted access to any facility which contains emission sources or units subject to 6 NYCRR Subpart 201-3, during normal operating hours, for the purpose of determining compliance with this and any other state and federal air pollution control requirements, regulations, or law.

Item J: Required Emission Tests - 6 NYCRR Part 202-1.1

An acceptable report of measured emissions shall be submitted, as may be required by the Commissioner, to ascertain compliance or noncompliance with any air pollution code, rule, or regulation. Failure to submit a report acceptable to the Commissioner within the time stated shall be sufficient reason for the Commissioner to suspend or deny an operating permit. Notification and acceptable procedures are specified in 6NYCRR Part 202-1.

Item K: Visible Emissions Limited - 6 NYCRR Part 211.3

Except as permitted by a specific part of this Subchapter and for open fires for which a restricted burning permit has been issued, no person shall cause or allow any air contamination source to emit any material having an opacity equal to or greater than 20 percent (six minute average) except for one continuous six-minute period per hour of not more than 57 percent opacity.

Item L: Open Fires - 6 NYCRR Part 215

No person shall burn, cause, suffer, allow or permit the burning in an open fire of garbage, rubbish for salvage, or rubbish generated by industrial or commercial activities.

Item M: Permit Exclusion - ECL 19-0305

The issuance of this permit by the Department and the receipt thereof by the Applicant does not and shall not be construed as barring, diminishing, adjudicating or in any way affecting any legal, administrative or equitable rights or claims, actions, suits, causes of action or demands whatsoever that the Department may have against the Applicant for violations based on facts and circumstances alleged to have occurred or existed prior to the effective date of this permit, including, but not

New York State Department of Environmental Conservation

Permit ID: 4-1924-00093/02001

Facility DEC ID: 4192400093



limited to, any enforcement action authorized pursuant to the provisions of applicable federal law, the Environmental Conservation Law of the State of New York (ECL) and Chapter III of the Official Compilation of the Codes, Rules and Regulations of the State of New York (NYCRR). The issuance of this permit also shall not in any way affect pending or future enforcement actions under the Clean Air Act brought by the United States or any person.

Item N: Federally Enforceable Requirements - 40 CFR 70.6(b)

All terms and conditions in this permit required by the Act or any applicable requirement, including any provisions designed to limit a facility's potential to emit, are enforceable by the Administrator and citizens under the Act. The Department has, in this permit, specifically designated any terms and conditions that are not required under the Act or under any of its applicable requirements as being enforceable under only state regulations.

FEDERAL APPLICABLE REQUIREMENTS
The following conditions are federally enforceable.

Condition 1: Facility Permissible Emissions
Effective between the dates of 09/19/2003 and Permit Expiration Date

Applicable Federal Requirement: 6NYCRR 201-6.1(c)

Item 1.1:

The sum of emissions from the emission units specified in this permit shall not equal or exceed the following Potential To Emit (PTE) rate for each regulated contaminant:

CAS No: 0NY210-00-0 PTE: 150,000 pounds per year
Name: OXIDES OF NITROGEN

Condition 2: Synthetic minor facility capping provisions.
Effective between the dates of 09/19/2003 and Permit Expiration Date

Applicable Federal Requirement: 6NYCRR 201-7.2

Item 2.1:

Operation of this facility shall take place in accordance with the approved criteria, emission limits, terms, conditions and standards in this permit.

New York State Department of Environmental Conservation

Permit ID: 4-1924-00093/02001

Facility DEC ID: 4192400093



Item 2.2:

The owner or operator of the permitted facility must maintain all required records on-site for a period of five years and make them available to representatives of the Department upon request. Department representatives must be granted access to any facility regulated by this Subpart, during normal operating hours, for the purpose of determining compliance with this and any other state and federal air pollution control requirements, regulations or law.

Item 2.3:

On an annual basis, beginning one year after the granting of an emissions cap, the responsible official shall provide a certification to the Department that the facility has operated all emission units within the limits imposed by the emission cap. This certification shall include a brief summary of the emissions subject to the cap for that time period and a comparison to those threshold levels that would require the submission of an application for a Title V facility permit, or compliance with an applicable requirement.

Item 2.4:

The emission of pollutants in exceedance of the applicability thresholds for obtaining a Title V facility permit or other applicable requirements constitutes a violation of Part 201 and of the Act.

Condition 3: Compliance Demonstration
Effective between the dates of 09/19/2003 and Permit Expiration Date

Applicable Federal Requirement: 6NYCRR 225-1.2(a)(1)

Item 3.1:

The Compliance Demonstration activity will be performed for the Facility.

Regulated Contaminant(s):

CAS No: 007446-09-5 SULFUR DIOXIDE

Item 3.2:

Compliance Demonstration shall include the following monitoring:

Monitoring Type: RECORD KEEPING/MAINTENANCE PROCEDURES

Monitoring Description:

SULFUR CONTENT IN FUEL OIL WILL NOT EXCEED 0.75% BY WEIGHT. CENTRAL HUDSON WILL USE VENDOR FUEL RECEIPTS TO DEMONSTRATE COMPLIANCE WITH THIS REQUIREMENT.

Monitoring Frequency: PER DELIVERY

Reporting Requirements: UPON REQUEST BY REGULATORY AGENCY

Condition 4: Temporary variances.
Effective between the dates of 09/19/2003 and Permit Expiration Date



New York State Department of Environmental Conservation

Permit ID: 4-1924-00093/02001

Facility DEC ID: 4192400093

Applicable Federal Requirement: 6NYCRR 225-1.4

Item 4.1:

Upon application by an air contamination source owner or a fuel supplier the commissioner may issue an order granting a temporary variance from the provisions of 6 NYCRR Part 225-1 where it can be shown, to the commissioner's satisfaction, that there is an insufficient supply of conforming fuel, either:

- (1) of the proper type required for use in a particular air contamination source; or
- (2) generally throughout an area of the State.

Condition 5: Compliance.

Effective between the dates of 09/19/2003 and Permit Expiration Date

Applicable Federal Requirement: 6NYCRR 225-1.6(b)

Item 5.1:

As of January 1, 1988 any person who buys, sells, offer for sale, or uses fuel must comply with the percent sulfur requirements specified in section 6 NYCRR 225-1.2 of this regulation.

Condition 6: Emission and fuel monitoring methods.

Effective between the dates of 09/19/2003 and Permit Expiration Date

Applicable Federal Requirement: 6NYCRR 225-1.7

Item 6.1:

Facilities subject to Part 225-1 shall comply with the emission and fuel monitoring methods and requirements of this section 6 NYCRR 225-1.7.

Condition 7: Compliance Demonstration

Effective between the dates of 09/19/2003 and Permit Expiration Date

Applicable Federal Requirement: 6NYCRR 225-1.8

Item 7.1:

The Compliance Demonstration activity will be performed for the Facility.

Item 7.2:

Compliance Demonstration shall include the following monitoring:

Monitoring Type: RECORD KEEPING/MAINTENANCE PROCEDURES

Monitoring Description:

Upon request the owner or operator of a facility which purchases and fires coal or oil shall submit reports to the commissioner containing a fuel analysis, information on the quantity of the fuel received, burned, and results of any stack sampling, stack monitoring and any other procedures to ensure compliance with the provisions of 6



New York State Department of Environmental Conservation

Permit ID: 4-1924-00093/02001

Facility DEC ID: 4192400093

NYCRR Part 225-1. All records shall be available for a minimum of three years.

Monitoring Frequency: PER DELIVERY

Reporting Requirements: UPON REQUEST BY REGULATORY AGENCY

****** Emission Unit Level ******

Condition 8: Emission Unit Permissible Emissions
Effective between the dates of 09/19/2003 and Permit Expiration Date

Applicable Federal Requirement: 6NYCRR 201-6.1(c)

Item 8.1:

The sum of emissions from all regulated processes specified in this permit for the emission unit cited shall not exceed the following Potential to Emit (PTE) rates for each regulated contaminant:

Emission Unit: 1-00001

CAS No: 0NY210-00-0

Name: OXIDES OF NITROGEN

PTE(s): 272.8 pounds per hour

150,000 pounds per year

Condition 9: Process Permissible Emissions
Effective between the dates of 09/19/2003 and Permit Expiration Date

Applicable Federal Requirement: 6NYCRR 201-6.1(c)

Item 9.1:

The sum of emissions from the regulated process cited shall not exceed the following Potential to Emit (PTE) rates for each regulated contaminant:

Emission Unit: 1-00001 Process: 001

CAS No: 0NY210-00-0

Name: OXIDES OF NITROGEN

PTE(s): 272.8 pounds per hour

150,000 pounds per year

Condition 10: Emission Unit Permissible Emissions
Effective between the dates of 09/19/2003 and Permit Expiration Date

Applicable Federal Requirement: 6NYCRR 204-1.4

New York State Department of Environmental Conservation

Permit ID: 4-1924-00093/02001

Facility DEC ID: 4192400093



Item 10.1:

The sum of emissions from all regulated processes specified in this permit for the emission unit cited shall not exceed the following Potential to Emit (PTE) rates for each regulated contaminant:

Emission Unit: 1-00001

CAS No: 0NY210-00-0

Name: OXIDES OF NITROGEN

PTE(s): 272.8 pounds per hour

Condition 11: Process Permissible Emissions
Effective between the dates of 09/19/2003 and Permit Expiration Date

Applicable Federal Requirement: 6NYCRR 204-1.4

Item 11.1:

The sum of emissions from the regulated process cited shall not exceed the following Potential to Emit (PTE) rates for each regulated contaminant:

Emission Unit: 1-00001 Process: 001

CAS No: 0NY210-00-0

Name: OXIDES OF NITROGEN

PTE(s): 272.8 pounds per hour

Condition 12: Compliance Demonstration
Effective between the dates of 09/19/2003 and Permit Expiration Date

Applicable Federal Requirement: 6NYCRR 204-1.4

Item 12.1:

The Compliance Demonstration activity will be performed for:

Emission Unit: 1-00001

Regulated Contaminant(s):

CAS No: 0NY210-00-0 OXIDES OF NITROGEN

Item 12.2:

Compliance Demonstration shall include the following monitoring:

Capping: Yes

Monitoring Type: WORK PRACTICE INVOLVING SPECIFIC
OPERATIONS

Monitoring Description:



New York State Department of Environmental Conservation

Permit ID: 4-1924-00093/02001

Facility DEC ID: 4192400093

TO AVOID APPLICABILITY OF PART 204, CENTRAL HUDSON WILL LIMIT NOX EMISSIONS TO 25 TONS DURING THE OZONE CONTROL PERIOD (MAY 1-SEPTEMBER 30). CENTRAL HUDSON WILL BURN FUEL OIL EXCLUSIVELY DURING THIS PERIOD AND MONITOR THE OPERATING HOURS SO THAT THEY DO NOT EXCEED 134 HOURS. MONITORING FREQUENCY SHALL BE DAILY WHEN THE UNIT IS OPERATING. REPORTS ARE DUE NOVEMBER 1, FOLLOWING THE CONTROL PERIOD.

Work Practice Type: HOURS PER YEAR OPERATION

Upper Permit Limit: 134 hours

Monitoring Frequency: AS REQUIRED - SEE PERMIT MONITORING DESCRIPTION

Averaging Method: MAXIMUM - NOT TO EXCEED STATED VALUE - SEE MONITORING DESCRIPTION

Reporting Requirements: AS REQUIRED - SEE MONITORING DESCRIPTION

Condition 13: Compliance Demonstration
Effective between the dates of 09/19/2003 and Permit Expiration Date

Applicable Federal Requirement: 6NYCRR 227-1.3(a)

Item 13.1:

The Compliance Demonstration activity will be performed for:

Emission Unit: 1-00001

Regulated Contaminant(s):

CAS No: 0NY075-00-0 PARTICULATES

Item 13.2:

Compliance Demonstration shall include the following monitoring:

Monitoring Type: MONITORING OF PROCESS OR CONTROL DEVICE PARAMETERS AS SURROGATE

Monitoring Description:

No owner or operator of a combustion installation shall emit greater than 20 percent opacity (on a six minute block period) except for one six minute block period per hour, not to exceed 27 percent, based upon the six minute average in reference test method 9 in Appendix A of 40 CFR 60.

Operators of air contamination sources that are not exempt



New York State Department of Environmental Conservation

Permit ID: 4-1924-00093/02001

Facility DEC ID: 4192400093

from permitting and where a continuous opacity monitor is not utilized for measuring smoke emissions, shall be required to perform the following:

- 1) Observe the stack(s) or vent(s) once per day when operating, for visible emissions. This observation(s) must be conducted during daylight hours except during adverse weather conditions (fog, rain, or snow).
- 2) The results of each observation must be recorded in a bound logbook or other format acceptable to the Department. The following data must be recorded for each stack:
 - weather condition
 - was a plume observed?

This logbook must be retained at the facility for five (5) years after the date of the last entry.

- 3) If the operator observes any visible emissions (other than steam - see below) two consecutive days, then the Method 9 analysis (based upon a 6-minute mean) of the affected emission point(s) must be conducted within two (2) business days of such occurrence. The results of the Method 9 analysis must be recorded in the logbook. The operator must contact the Regional Air Pollution Control Engineer within one (1) business day of performing the Method 9 analysis if the opacity standard is contravened. Upon notification, any corrective actions or future compliance schedules shall be presented to the Department for acceptance.

**** NOTE **** Steam plumes generally form after leaving the top of the stack (this is known as a detached plume). The distance between the stack and the beginning of the detached plume may vary, however, there is (normally) a distinctive distance between the plume and stack. Steam plumes are white in color and have a billowy consistency. Steam plumes dissipate within a short distance of the stack (the colder the air the longer the steam plume will last) and leave no dispersion trail downwind of the stack.

Parameter Monitored: OPACITY

Upper Permit Limit: 20 percent

Monitoring Frequency: AS REQUIRED - SEE PERMIT MONITORING

New York State Department of Environmental Conservation

Permit ID: 4-1924-00093/02001

Facility DEC ID: 4192400093



DESCRIPTION

Averaging Method: 6 MINUTE AVERAGE

Reporting Requirements: AS REQUIRED - SEE MONITORING DESCRIPTION

Condition 14: Compliance Demonstration

Effective between the dates of 09/19/2003 and Permit Expiration Date

Applicable Federal Requirement: 6NYCRR 227-1.2(a)(1)

Item 14.1:

The Compliance Demonstration activity will be performed for:

Emission Unit: 1-00001

Process: 001

Emission Source: 00001

Regulated Contaminant(s):

CAS No: 0NY075-00-0 PARTICULATES

Item 14.2:

Compliance Demonstration shall include the following monitoring:

Monitoring Type: INTERMITTENT EMISSION TESTING

Monitoring Description:

Particulate emission limit for singular gas turbines or multiple gas turbines ducted through a common stack, which fire liquid fuels, and that have a heat capacity exceeding 250 mmBtu/hr.

Parameter Monitored: PARTICULATES

Upper Permit Limit: 0.1 pounds per million Btus

Monitoring Frequency: ONCE DURING THE TERM OF THE PERMIT

Averaging Method: 1-HOUR AVERAGE

Reporting Requirements: UPON REQUEST BY REGULATORY AGENCY

Condition 15: Compliance Demonstration

Effective between the dates of 09/19/2003 and Permit Expiration Date

Applicable Federal Requirement: 6NYCRR 201-6.1(c)

Item 15.1:

The Compliance Demonstration activity will be performed for:

Emission Unit: 1-00001 Emission Point: 00001

Process: 001

Regulated Contaminant(s):

CAS No: 0NY210-00-0 OXIDES OF NITROGEN



Item 15.2:

Compliance Demonstration shall include the following monitoring:

Capping: Yes

Monitoring Type: MONITORING OF PROCESS OR CONTROL
DEVICE PARAMETERS AS SURROGATE

Monitoring Description:

TO AVOID APPLICABILITY OF NYCRR PART
201-6, CENTRAL HUDSON WILL LIMIT NO_x
EMISSIONS TO 75 TONS FOR EACH 12-MONTH
PERIOD MAY1-APRIL 30. CENTRAL HUDSON
WILL BURN FUEL OIL EXCLUSIVELY DURING
THIS PERIOD AND MONITOR THE OPERATING
HOURS AND FUEL CONSUMPTION* AS COMPLIANCE
ASSURANCE MONITORING. THE RECORDED DATA
WILL BE ENTERED INTO A EQUATION(S) THAT
FACTORS FUEL CONSUMPTION, HOURS OF
OPERATION AND APPROVED EMISSION FACTORS
IN THE COMPUTATION OF THE LIMITING TONS
OF NO_x FOR THE PERIOD MAY 1 - APRIL 30.
REPORTS SHALL BE DUE ON NOVEMBER 1
FOLLOWING THE 12 MONTH OPERATIONAL
PERIOD.

*ALL FUEL METERS WILL BE CERTIFIED AS
PER 40CFR 75 APPENDIX D

Parameter Monitored: FUEL

Upper Permit Limit: 75 tons per year

Monitoring Frequency: MONTHLY

Averaging Method: ANNUAL MAXIMUM ROLLED MONTHLY

Reporting Requirements: AS REQUIRED - SEE MONITORING DESCRIPTION



STATE ONLY ENFORCEABLE CONDITIONS

****** Facility Level ******

NOTIFICATION OF GENERAL PERMITTEE OBLIGATIONS

This section contains terms and conditions which are not federally enforceable. Permittees may also have other obligations under regulations of general applicability

Item A: Public Access to Recordkeeping for Facilities With State Facility Permits - 6NYCRR Part 201-1.10(a)

Where emission source owners and/or operators keep records pursuant to compliance with the operational flexibility requirements of 6 NYCRR Subpart 201-5.4(b)(1) , and/or the emission capping requirements of 6 NYCRR Subparts 201-7.2(d), 201-7.3(f), 201-7.3(g), 201-7.3(h)(5), 201-7.3(i) and 201-7.3(j), the Department will make such records available to the public upon request in accordance with 6 NYCRR Part 616 - Public Access to Records. Emission source owners and/or operators must submit the records required to comply with the request within sixty working days of written notification by the Department of receipt of the request.

Item B: General Provisions for State Enforceable Permit Terms and Condition - 6 NYCRR Part 201-5

Any person who owns and/or operates stationary sources shall operate and maintain all emission units and any required emission control devices in compliance with all applicable Parts of this Chapter and existing laws, and shall operate the facility in accordance with all criteria, emission limits, terms, conditions, and standards in this permit. Failure of such person to properly operate and maintain the effectiveness of such emission units and emission control devices may be sufficient reason for the Department to revoke or deny a permit.

The owner or operator of the permitted facility must maintain all required records on-site for a period of five years and make them available to representatives of the Department upon request. Department representatives must be granted access to any facility regulated by this Subpart, during normal operating hours, for the purpose of determining compliance with this and any other state and federal air pollution control requirements, regulations or

New York State Department of Environmental Conservation

Permit ID: 4-1924-00093/02001

Facility DEC ID: 4192400093



law.

STATE ONLY APPLICABLE REQUIREMENTS

The following conditions are state only enforceable.

Condition 16: Contaminant List

Effective between the dates of 09/19/2003 and Permit Expiration Date

Applicable State Requirement: ECL 19-0301

Item 16.1:

Emissions of the following contaminants are subject to contaminant specific requirements in this permit(emission limits, control requirements or compliance monitoring conditions).

CAS No: 0NY210-00-0

Name: OXIDES OF NITROGEN

CAS No: 0NY075-00-0

Name: PARTICULATES

CAS No: 007446-09-5

Name: SULFUR DIOXIDE

Condition 17: Unavoidable noncompliance and violations

Effective between the dates of 09/19/2003 and Permit Expiration Date

Applicable State Requirement: 6NYCRR 201-1.4

Item 17.1:

At the discretion of the commissioner a violation of any applicable emission standard for necessary scheduled equipment maintenance, start-up/shutdown conditions and malfunctions or upsets may be excused if such violations are unavoidable. The following actions and recordkeeping and reporting requirements must be adhered to in such circumstances.

- (a) The facility owner and/or operator shall compile and maintain records of all equipment maintenance or start-up/shutdown activities when they can be expected to result in an exceedance of any applicable emission standard, and shall submit a report of such activities to the commissioner's representative when requested to do so in writing or when so required by a condition of a permit issued for the corresponding air contamination source except where conditions elsewhere in this permit which contain more stringent reporting and notification provisions for an applicable requirement, in which case they supercede those stated here. Such reports shall describe why the violation was unavoidable and shall include the time, frequency and duration of the maintenance and/or start-up/shutdown activities and the identification of air contaminants, and the estimated emission rates. If a facility owner and/or operator is subject to continuous stack monitoring and quarterly reporting requirements, he need not submit reports



New York State Department of Environmental Conservation

Permit ID: 4-1924-00093/02001

Facility DEC ID: 4192400093

for equipment maintenance or start-up/shutdown for the facility to the commissioner's representative.

(b) In the event that emissions of air contaminants in excess of any emission standard in 6 NYCRR Chapter III Subchapter A occur due to a malfunction, the facility owner and/or operator shall report such malfunction by telephone to the commissioner's representative as soon as possible during normal working hours, but in any event not later than two working days after becoming aware that the malfunction occurred. Within 30 days thereafter, when requested in writing by the commissioner's representative, the facility owner and/or operator shall submit a written report to the commissioner's representative describing the malfunction, the corrective action taken, identification of air contaminants, and an estimate of the emission rates. These reporting requirements are superseded by conditions elsewhere in this permit which contain reporting and notification provisions for applicable requirements more stringent than those above.

(c) The Department may also require the owner and/or operator to include in reports described under (a) and (b) above an estimate of the maximum ground level concentration of each air contaminant emitted and the effect of such emissions depending on the deviation of the malfunction and the air contaminants emitted.

(d) In the event of maintenance, start-up/shutdown or malfunction conditions which result in emissions exceeding any applicable emission standard, the facility owner and/or operator shall take appropriate action to prevent emissions which will result in contravention of any applicable ambient air quality standard. Reasonably available control technology, as determined by the commissioner, shall be applied during any maintenance, start-up/shutdown or malfunction condition subject to this paragraph.

(e) In order to have a violation of a federal regulation (such as a new source performance standard or national emissions standard for hazardous air pollutants) excused, the specific federal regulation must provide for an affirmative defense during start-up, shutdowns, malfunctions or upsets.

Condition 18: Emission Unit Definition
Effective between the dates of 09/19/2003 and Permit Expiration Date

Applicable State Requirement: 6NYCRR 201-5

Item 18.1:

The facility is authorized to perform regulated processes under this permit for:

Emission Unit: 1-00001

Emission Unit Description:

THE EMISSION UNIT IS THE SOUTH CAIRO FACILITY WHICH IS COMPRISED OF THE FOLLOWING: PRATT-WHITNEY JET ENGINE MODEL FT-4 WHICH BURNS KEROSENE AND AN ABOVE GROUND 145,000 GALLON KEROSENE STORAGE TANK.

Building(s): BLDG1

Condition 19: Air pollution prohibited



New York State Department of Environmental Conservation

Permit ID: 4-1924-00093/02001

Facility DEC ID: 4192400093

Effective between the dates of 09/19/2003 and Permit Expiration Date

Applicable State Requirement: 6NYCRR 211.2

Item 19.1:

No person shall cause or allow emissions of air contaminants to the outdoor atmosphere of such quantity, characteristic or duration which are injurious to human, plant or animal life or to property, or which unreasonably interfere with the comfortable enjoyment of life or property. Notwithstanding the existence of specific air quality standards or emission limits, this prohibition applies, but is not limited to, any particulate, fume, gas, mist, odor, smoke, vapor, pollen, toxic or deleterious emission, either alone or in combination with others.

****** Emission Unit Level ******

Condition 20: Emission Point Definition By Emission Unit

Effective between the dates of 09/19/2003 and Permit Expiration Date

Applicable State Requirement: 6NYCRR 201-5

Item 20.1:

The following emission points are included in this permit for the cited Emission Unit:

Emission Unit: 1-00001

Emission Point: 00001

Height (ft.): 34

Diameter (in.): 66

Building: BLDG1

Condition 21: Process Definition By Emission Unit

Effective between the dates of 09/19/2003 and Permit Expiration Date

Applicable State Requirement: 6NYCRR 201-5

Item 21.1:

This permit authorizes the following regulated processes for the cited Emission Unit:

Emission Unit: 1-00001

Process: 001

Source Classification Code: 2-01-009-01

Process Description:

COMBUSTION OF DISTILLATE FUEL OIL
(KEROSENE) IN A COMBUSTION TURBINE.

Emission Source/Control: 00001 - Combustion

Design Capacity: 310 million Btu per hour